United States Department of the Interior

MINERALS MANAGEMENT SERVICE
DISTRICT MINING OFFICE
500 GOLD AVENUE, S.W., ROOM 116
ALBUQUERQUE, NEW MEXICO 87102

Confidential Claim Retracted
Authorized by: SC
Date: 6/12/13

July 22, 1982

Memorandum

To: Inspection Files, Pueblo of Laguna Uranium Leases 1, 4 and 8

From: District Mining Supervisor

Subject: Field Inspection of the Jackpile-Paguate Mine, Anaconda Minerals Company

July 19, 1982, I conducted the subject inspection with Mr. Earl Arlin and Mr. Elliot Solimon of Anaconda Minerals Company. The primary purpose of the inspection was to observe the condition of the underground mine workings. The condition of these workings will determine the extent of a possible inspection by representatives of the Pueblo of Laguna.

In the P-10 Mine, ground water has risen to about one foot above the track in the haulage drifts (approximate elevation of 5935 feet above sea level). The water has filled the crusher station at the bottom of the decline (floor elevation of about 5909 feet) to the last cutout in the decline. This prevents access to the mine workings from the decline. It appears that surface runoff from rain has flowed down the decline and contibuted to the rise of the water level, but this contribution is probably negligible when compared to the natural ground water recharge. Several of the steel sets in the P-10 decline were observed to be taking weight, primarily where the decline pentrates the Mancos or other shale strata. These shale pentrations have always caused ground control problems in the decline, and Anaconda is monitoring these areas and installing stulls as necessary. Mr. Solimon noted that the electrical power line is still intact in the decline, but it is disconnected at the surface. The conveyor belt has been dismantled and removed from the decline.

The rising ground water in the P-10 decline now prevents ventilation of the decline through the main haulage drifts. To maintain ventilation of the decline, Anaconda has removed a stopping in the 002 Haulage Drift which connects with the decline approximately 350 feet above the present ground water level. Fresh air is now pulled down the decline through the 002 Haulage Drift and Stope and other ore level workings and then exhausted to the surface through three ventialtion boreholes equipped with surface fans. Personnel access is not possible along this ventilation route because passage through the open 002 Stope is prohibited by law. Anaconda has posted a

poor ventilation warning in the P-10 decline at its intersection with the 002 Haulage Drift and a hazardous ground warning in the Haulage Drift at its intersection with the 002 Stope. Mr. Solimon noted that Anaconda monitors radon concentrations at the locations of both warnings. From safe access, I examined the open 002 Stope. This Stope is large, but caving does not seem to be excessive.

During the inspection, Mr. Solimon noted that fresh air is also being pulled down the P-7 escapeway which connects the northern end of the P-10 Mine with the surface in the bottom of the South Paguate Pit. Personnel access through this escapeway could be possible, but the extent of that access is unknown.

The P-13 Mine has two adits collared into a highwall of the South Paguate Pit. Ground water has risen to a depth of 2 to 3 feet at both portals, corresponding to the water level in the adjacent P-10 Mine. Access into the P-13 workings would be severely limited by this water and by possibly high radon concentrations due to only natural air circulation through the workings. Mr. Arlin noted that the water level in the upper holding pond at the P-13 portals appeared to have lowered while that in the lower pond had risen. Access to these holding ponds is restricted by chain link fence with a locked gate at the entrance to the pit bottom.

The three adits of the NJ-45 Mine are collared into the highwall of the North Jackpile Pit. Adit 1 is at an elevation of about 5835 feet, and the portal is dry. A small pond of water was visible in the pit bottom near the portal, and Mr. Arlin estimated the level of this water to be about one foot below the Adit floor. None of the NJ-45 workings were accessed by Adit 1. Adits 2 and 3 are at an elevation of about 5918 feet, and both portals are dry. There is a large amount of water ponded in the pit bottom below Adits 2 and 3, and Mr. Arlin noted that this water level appears to have been static for some time. Anaconda had estimated that ground water recharge in this area could reach an elevation of about 5940 feet. Access into the NJ-45 Mine area is restricted by two chain link fences, one with a locked gate.

During the inspection, I observed that Anaconda had installed a chain link fence with a locked gate across the road between Dump 6B and natural ground to the north. This was required to restrict access into the South Jackpile Pit. I also observed that surface runoff is beginning to affect open-pit access roads and create severe gullies in several of the waste dumps. No violaitons of lease terms, Federal regulations or temporary abandonment requirements were observed.

Dale C. Jones

cc: DMM-Mining, SCR
Area Director, Albuquerque Area Office, BIA
Superintendent, Laguna Agency, BIA
Governor, Pueblo of Laguna
Nordhaus, Haltom and Taylor, Attention: Les Taylor
D. J. Reynolds, Minerals Economist, CERT

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ALBUQUERQUE, NEW MEXICO 87102

June 28, 1982

Mr. Harry D. Early
Governor
Pueblo of Laguna
P. O. Box 194
Laguna, New Mexico 87026

Dear Governor Early:

June 22, we discussed the possibility of an inspection of the open underground mine workings (NJ-45, P-10 and P-13 Mines) at the Jackpile-Paguate Mine by representatives of the Pueblo of Laguna. As I noted, the extent of such an inspection could be restricted by hazardous conditions in the mine workings, primarily those due to unstable ground and high radiation levels (radon gas).

June 24, I met with Mr. Tom Castor, Supervisory Mining Inspector with the Mine Safety and Health Administration (MSHA) in Albuquerque, to discuss alternative procedures for an underground inspection. According to Mr. Castor, ideal conditions for the inspection would require reestablishment of the mines' ventilation systems to assure safe radiation levels. I explained that with current conditions at the mines, this could involve a low to moderate expense for the NJ-45 and P-13 Mines and an excessive expense for the P-10 Mine depending on the extent of the inspection. I also explained that cost is an important consideration in the inspection effort because the inspection is only for observation and not mapping, sampling, etc.

I suggested the use of self-contained breathing apparatus to protect participants from high radon gas concentrations during the inspection. Mr. Castor does not favor this procedure because the use of this equipment is uncomfortable and limited and requires trained personnel. Furthermore, the availability of this type of equipment could also be limited.

Mr. Castor suggested the use of respirators with sampling of the mines' atmospheres to assure that the respirators provide participants with adequate protection against radon gas. Mr. Castor also volunteered to provide the necessary sampling equipment and trained personnel to assist with this procedure. Mr. Castor also pointed out that personnel with experience in underground mining should be included in the inspection to watch for unstable ground and other possible hazards.

At this time, I do not believe that reestablishment of the mines' ventilation systems or the use of self-contained breathing apparatus are feasible. However, if you wish, I will contact Anaconda Minerals Company about the details

of these procedures such as cost estimates, availability of equipment, etc. Due to the limited purpose of the inspection, I believe that the use of respirators with sampling of the radon gas levels is the most practical inspection procedure. I recommend that MSHA's assistance be accepted, and I would be happy to coordinate the inspection with the Pueblo's representatives, Anaconda and MSHA. I would also be very interested in attending the inspection myself.

I also questioned Mr. Castor about responsibility for the safety of the inspection participants. According to Mr. Castor, the participants or their employers would be responsible in the NJ-45 and P-13 Mines because Anaconda has formally notified MSHA that these mines are no longer in operation. There is a question about responsibility in the P-10 Mine because Anaconda has not formally notified MSHA about its closure. I will pursue this matter with Anaconda. Mr. Castor pointed out that MSHA would require that all inspection participants be equipped with proper safety equipment (hats, boots, self-rescuers, etc.) and briefly trained in the use of this equipment and recognition of possible hazards.

As I said, I would be happy to arrange the inspection at your request. If you have any questions, please contact me.

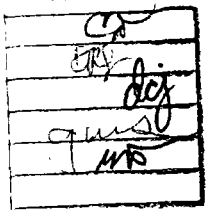
Sincerely yours,

(ORIG. SGD.) DALE C. JONES

Dale C. Jones
District Mining Supervisor

cc: DMM-Mining, SCR
Pueblo of Laguna, Attention: Mr. Ronald Solimon
D. Reynolds, CERT
T. Castor, MSHA
Superintendent, Laguna Agency, BIA
Nordhams, Haltom and Taylor, Attention: Mr. Lester Taylor
R. D. Lynn, Anaconda Minerals Company
Mine Plan File: Anaconda Comprehensive Mine Plan
Inspection File: Laguna 1, 4, and 8
Chrono, Albuq. Dist.

FILE COPY
Surname



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ALBUQUERQUE, NEW MEXICO 87102

June 1, 1982

Memorandum

To: Operational Correspondence/Inspection file, Laguna Pueblo Mining Leases #1, 4, and 8

From: Mining Engineer, Albuquerque District, SCR

Subject: Tour of Anaconda Mineral Company's Jackpile/Paguate Mine

May 21, 1982, I accompanied Messrs. Joe Atard and Ricardo Gonzales on a tour of the subject mine. The purpose of the tour was to introduce Messrs. Atard and Gonzales to the magnitude of the reclamation work required at this mine.

The subject mine was closed on February 12, 1982. No activities are taking place at the mine.

David R. Sitzler

cc:
Chrono

DRSitzler:cid 6/1/82